

MEETING NO. **4213**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **TUESDAY, JULY 03, 2018**

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Lori Cetlinski
Tasha L. Cowan
Christa Mclellan
John Naglick
Crystal Perkins
June Nickleberry
Thomas Sheehan

Trustee/ Vice- Chairperson
Trustee
Ex-Officio Trustee/City Treasurer
Ex-Officio Trustee/Finance Director
Trustee
Trustee/Chairperson
Trustee

TRUSTEES EXCUSED

Wendell Anthony
Scott Benson
Kimberly Hall-Wagner

Trustee
Ex-Officio Trustee/City Council Member
Trustee

TRUSTEES ABSENT

None

ALSO PRESENT

Gail A. Oxendine
Kevin Kenneally
Michael VanOverbeke
TaKneisha Johnson

Assistant Executive Director
Investment Officer
General Counsel
Administrative Assistant III

STAFF EXCUSED

David Cetlinski
Ryan Bigelow

Executive Director
Chief Investment Officer

CHAIRPERSON

Armella J. Nickleberry

The Board's Administrative Assistant took a verbal Roll Call at 10:07 a.m. and Chairperson Cowan called the meeting to order.

Present at Roll Call: Lori Cetlinski, Tasha L. Cowan, Crystal Perkins, Thomas Sheehan and Chairperson Nickleberry

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	B. J. Robinson – Emer Serv Deploy Oper – Police (Civilian)
SERVICE CREDIT	20-07
EFFECTIVE DATE	06-13-18

Yeas: Cetlinski, Cowan, Perkins, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for **VESTED RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Michael V. Cole – Line Helper – Public Lighting
SERVICE CREDIT	10-06
EFFECTIVE DATE	06-01-18

Yeas: Cetlinski, Cowan, Perkins, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Change of Computation(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for **CHANGE OF COMPUTATION** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Curtis J. Gentry – General Auto Mechanic - Transportation
SERVICE CREDIT	19-05
EFFECTIVE DATE	03-25-18

Yeas: Cetlinski, Cowan, Perkins, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Auto III- Spouse

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for **AUTO III- Spouse** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Holly Birch (Raymond L. Birch – Deceased) – Asst. Supv. EMS – Fire (EMS)
SERVICE CREDIT	17-04
EFFECTIVE DATE	12-11-17

Yeas: Cetlinski, Cowan, Perkins, Sheehan and Chairperson Nickleberry – 5

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts			HYBLIQRES			
RSCD-General			Start Date:	6/17/2018		
			End Date:	6/29/2018		
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
6/22/2018	CA	Cash Entry	001030	Employees Pretax Pension Contributions 6/22/18	R/C	250,234.98
6/22/2018	CA	Cash Entry	001031	Employee Post tax Contributions 6/22/18	R/C	146,896.46
6/29/2018	CA	Cash Entry		Employees Pretax Pension Contributions 6/29/18		107,440.02
6/29/2018	CA	Cash Entry		Employee Post tax Contributions 6/29/18		71,431.73
						<u>576,003.19</u>

Cash Receipts			LIQ RESERV			
RSCD-General			Start Date:	6/17/2018		
			End Date:	6/29/2018		
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
6/21/2018	CA	Cash Entry	001032	Loan Deductions 6/15/18 (38,433.95)	R/C	38,433.95
6/17/2018	CA	Cash Entry	001032	Loan Deductions 6/8/18		32,928.59
6/28/2018	CA	Cash Entry	001032	Loan Deductions 6/22/18		34,485.05
						<u>105,847.59</u>

Total Receipts 681,850.78

Re: Fees and Expenses

Resolution Moved By: Trustee Sheehan- Supported By: Trustee Cetlinski

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses; **THEREFORE BE IT**

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

Disbursements				Page:	1 of 1
				Date:	6/28/2018 2:51 PM
Account	Payment Method	Currency			
F ACCT PAY	ACH	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
ADP, INC	516068608	Check Printing Services	695.50		
Crain Communications, Inc	100135843	New Job Posting	657.00		
FRANK RUSSELL COMPANY	1652001037	Russell Indexes Standard Service 1/1/18-3/31/18	125.00		
GREAT LAKES ELECTRONICS CORPORATION	R20536	Scrap Computer Equipment Removal	637.16		
PLANET TECHNOLOGIES, INC	120331	Computer Services	262.50		
Cash Account/Payment Method Total:		4 Documents	2,377.16		
F ACCT PAY	CHECK	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
ASYSO	2018N026147	AMT Software License Renewal 8/1/18-7/31/19	16,730.36		
Bodman	646815	Paylocity Contract Review	64.50		
CHRYSALIS CONSULTING, LLC	20144	Consulting Services 4/1/18-5/31/18	2,293.75		
COMCAST	061718	High Speed Internet	178.02		
CREATIVE BREAKTHROUGHS INC	INV0078	SSL Certificate Purchase - Billable Expenses	64.99		
ELECTRONIC SECURITY SYSTEMS, INC	SI-061318	CCURE 9000 SSA agreement - 6/1/18-5/31/20	615.00		
FEDEX	6-183-32055	FedEx Mailing	24.14		
FEDEX	6-197-56750	FedEx Mailing	24.20		
FEDEX	6-204-06742	FedEx Mailing	24.31		
FEDEX	6-211-38454	FedEx Mailing	34.23		
FEDEX	6-218-78965	FedEx Mailing	24.20		
First CHOICE Coffee Services	556306	Coffee Supplies	148.75		
METCOM	103448	Business Cards	34.55		
MICRO CENTER	8618381	Computer Equipment	934.97		
QUILL CORPORATION	7606112	Office Supplies	145.87		
QUILL CORPORATION	7714189	Office Supplies	34.99		
Cash Account/Payment Method Total:		16 Documents	21,376.83		

* Payment amount is estimated based on the effective date 6/28/2018

Yeas: Cetlinski, Cowan, Perkins, Sheehan and Chairperson Nickleberry – 5

Nays: None

- **Trustees John Naglick and Christa Mclellan entered the Boardroom at 10:08 a.m.**

Re: Refunds of Accumulated Contributions

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth:

List No. 7367 - \$334,504.67

List No. 7368 - \$19,340.76

including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Cetlinski, Cowan, Mclellan, Naglick, Perkins, Sheehan
and Chairperson Nickleberry – 7

Nays: None

Re: Employee Loan Program June 27, 2018

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$69,221.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Mclellan, Naglick, Perkins, Sheehan
and Chairperson Nickleberry – 7

Nays: None

Re: Minutes/Journal No. 4211 – (06/06/18)

Motion By: Trustee Sheehan- Supported By: Trustee Cetlinski

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4211**, held on **June 06, 2018**, be hereby **APPROVED** as recorded and submitted.

Yeas: Cetlinski, Mclellan, Naglick, Perkins, Sheehan and Chairperson Nickleberry – 6

Nays: None

Abstentions: Cowan- 1

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail A. Oxendine**, had no formal report, but addressed the following with the Board of Trustees:

- Correspondence to Mr. Bernard Schrott of Gateway (request to appear)
 - The correspondence will be revised as there are additional action items that need to be added
 - Trustee Sheehan has requested that Lou Vogt provide a report detailing the current financial standing of real estate from March 2018 through current.

- ***Trustee Naglick led discussion with the Board of Trustees regarding the GASB 67 and 68 Valuation.***

INVESTMENT OFFICER'S REPORT

Investment Officer **Kevin Kenneally**, had no formal report, but discussed the following matters with the Board:

- Current rate of return discussion
- Mr. Kenneally went to New York the week of June 25th to conduct onsite due-diligence with real estate portfolio managers
- Pre-audit work is currently underway
- Monday July 16, 2018 Investment Committee meetings
 - Police and Fire is Telephonic
 - The General City meeting is a regular meeting

GENERAL COUNSEL'S REPORT

General Counsel Michael VanOverbeke, had no formal legal report, but discussed the following matters with the Board:

- Great West has dispersed \$793,000.00 which is a gain to the System
- All year end transfers from DWSD (Detroit Water and Sewerage) are complete
- Book Cadillac update
 - Letters of Intent have been signed and forwarded by Police and Fire.
- The search for Special Legal Counsel is still underway. Mr. VanOverbeke has narrowed the search down to three firms. Details on said firms are forthcoming.
- Staff is working on a subpoena from a former EMS employee; details are forthcoming.
- Media Consultant update and selection
 - All prospective firms have been notified of the Board's choice: Truscott Rossman. Morrow and Associates sent correspondence to General Counsel stating that they were happy to have been considered. A draft retainer from Truscott Rossman has been submitted and is currently being reviewed.
- Capozzoli Advisory for Pensions/ Joe Capozzoli/Workforce Trust update
- Condo closing update forthcoming

Motion by: Trustee Sheehan– Supported by Trustee Cetlinski, The Board of Trustees have indicated that they do not wish to undergo the appeal process with respect to the fee motion in the Capozzoli Advisory for Pensions case. The Motion passed by a unanimous vote.

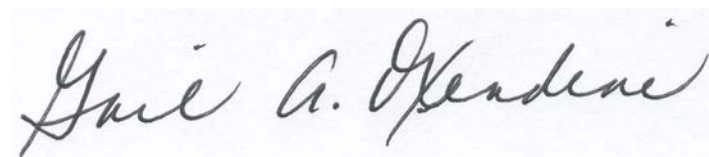
NEW BUSINESS/OLD BUSINESS

- None

ADJOURNMENT

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 10:45 a.m. The Board's next meeting is scheduled for **Wednesday, July 18th, 2018**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "Gail A. Oxendine", written in black ink on a light-colored background.

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR